

## **Department of Energy**

Golden Field Office 1617 Cole Boulevard Golden, Colorado 80401-3305

November 8, 2004

TO:

DISTRIBUTION LIST

SUBJECT:

Notice of Scoping - Iroquois Bio-Energy Company, Proposed Fuel

Ethanol Plant, Rensselaer, Indiana

The U.S. Department of Energy (DOE) is proposing to provide partial funding to Iroquois Bio-Energy Company (IBEC), a private limited liability corporation incorporated in the State of Indiana, for the design and construction of a fuel ethanol plant. Pursuant to the requirements of the National Environmental Policy Act (NEPA), the Council on Environmental Quality regulations for implementing the procedural provisions of NEPA (40 CFR Parts 1500-1508), and DOE's implementing procedures for compliance with NEPA (10 CFR Part 1021), DOE is preparing a draft Environmental Assessment (EA) to:

- Identify any adverse environmental effects that cannot be avoided should this proposed action be implemented.
- Evaluate viable alternatives to the proposed action, including a no action alternative.
- Describe the relationship between local short-term uses of the environment and the maintenance and enhancement of long-term productivity.
- Characterize any irreversible and irretrievable commitments of resources that would be involved should this proposed action be implemented.

The proposed plant would be located on a 68.9 acre site located immediately south of West SR 114 approximately three miles east of the City of Rensselaer in Jasper County, Indiana. (Attachment 1 is a project location map). The West SR 114 right-of-way would form the northern border of the site and the CSX mainline right-of-way would form the southern border. The northwestern quadrant of the site would be transected by existing buried, twin, high-pressure interstate gas transmission lines, which could be tapped for natural gas service. Electric power would be provided by the Jasper County Rural Electric Membership Corp (REMC) utilizing a drop from the existing transmission line that parallels West SR 114. Process water would be provided from captive wells that would be drilled on the proposed site. The following is a summary legal description of the site:

The site would be located at 751 West SR 114 in Rensselaer (east of Pleasant Ridge), Marion Township, Jasper County, Indiana 47978. More specifically, the site is a part of the southwestern quarter of Section 25, Township 29 North, Range 6 West of the Second Principal Meridian. Attachment 2 is a map showing the general location of the site copied from the McCoysburg, Indiana United States Geological Survey (USGS) Quadrangle 7.5 Minute Series Topographic Map (USGS, 1962).

Historically the proposed site has been used for agriculture; however, it has been zoned for industrial use by Jasper County. All surrounding property is currently zoned for agricultural or industrial use. The closest residential property is approximately 3000 feet from the proposed site.

Annually, the proposed facility would process approximately 15 million bushels of locally grown corn and would produce approximately 40 million gallons of denatured ethanol, approximately 109,000 tons of distiller's grains, and approximately 109,000 tons of carbon dioxide. The total footprint of the proposed plant would be approximately 15 acres.

All requisite state air emission permits have been issued. All requisite state water discharge permit applications have been prepared and are ready for submission. Attachment 3 is a conceptual rendition of the proposed plant. The following is a summary description of the process that the plant would use:

- Locally grown corn would be received by truck at the proposed plant, dry-milled, and converted to fermentable sugars by enzyme hydrolysis. The resulting mash would be fermented in batch fermentors, and then transferred to a continuous distillation column that would be designed to yield 95 plus percent pure ethanol.
- The ethanol would then be further refined by dehydration to 99.9 percent waterfree ethanol in a molecular sieve bed.
- The anhydrous ethanol would be denatured by adding five percent unleaded gasoline or a gasoline blendstock for shipment to markets throughout the United States. Production of denatured ethanol, would increase to as much as 10% above the plant's annual name-plate capacity of 40 mgpy after several years of performance.
- The syrup from the continuous distillation column would be pumped through a centrifuge where it would be separated into wet or dried distiller's grains.
- Ethanol wet distiller's grains and dried distiller's grains will be shipped from the plant by rail and truck. The distillers grains would be sold locally as agricultural feedstock. Carbon dioxide would be sold to a third party who would build a prefabricated carbon dioxide liquefaction plant adjacent to the proposed fuel ethanol plant.

More detailed information about IBEC is available online at http://www.ibecethanol.com.

# Please provide any comments on or before November 24, 2004 to:

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We look forward to hearing from you.

Sincerely,

John H. Kersten

Manager

Attachment:

As Stated

Response Date:

November 24, 2004

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